

Amendments to the Specification:

Please replace the paragraph beginning at page 4, line 12 with the following rewritten paragraph:

al Forward start options, a specialized type of option which has been traded over-the-counter, provide a solution to this problem. Forward start options provide a simple cost-effective way to hold a constant portfolio of at-the-money options. Forward start options also provide a way to trade forward volatility - the market's expectation of implied volatility at different points along the volatility term structure. In other words, how the implied volatility varies with time as the option approaches expiration. A forward start option is similar to a conventional option encompassing both calls and puts, but unlike a conventional option, the strike price, the price at which the option holder has the right to purchase or sell the underlying asset, is not fixed. A forward start option begins trading with a floating strike price that reflects the value of the underlying asset. ~~[Note: The rest of the paragraph is too specific — all that remains to be said about the OTC forward start options is that the strike price is fixed on a predetermined date.]~~